

SENATE BILL REPORT

SB 6255

As Reported By Senate Committee On:
Natural Resources, Parks & Shorelines, January 31, 2002

Title: An act relating to the highest responsible bidder for sales of valuable materials from state-owned aquatic lands; and amending RCW 79.90.215.

Brief Description: Determining a "highest responsible bidder" for valuable materials on state-owned lands.

Sponsors: Senators Jacobsen, Oke and Rasmussen; by request of Department of Natural Resources.

Brief History:

Committee Activity: Natural Resources, Parks & Shorelines: 1/21/02, 1/31/02 [DPS].

SENATE COMMITTEE ON NATURAL RESOURCES, PARKS & SHORELINES

Majority Report: That Substitute Senate Bill No. 6255 be substituted therefor, and the substitute bill do pass.

Signed by Senators Jacobsen, Chair; Poulsen, Vice Chair; Hargrove, McDonald, Morton, Oke, Snyder, Spanel and Stevens.

Staff: Kari Guy (786-7437)

Background: The Department of Natural Resources manages all state-owned aquatic lands, and oversees the sale of geoducks and other valuable materials from these lands. Geoduck harvest areas are determined in cooperation with the Department of Fish and Wildlife and tribal co-managers, and harvest contracts are auctioned by the Department of Natural Resources to the highest responsible bidder.

The Department of Natural Resources may consider a number of factors in addition to price when awarding geoduck harvest contracts, including the financial ability of the bidder to perform the contract and any past criminal convictions of the bidder. However, the department does not have explicit authority to include a prior failure to complete a sale as grounds for rejecting a bid. Sales that are not completed can cause delays in harvest and increased expense to the department before the sale can be offered again.

Summary of Substitute Bill: When determining the highest responsible bidder for a sale of valuable materials from state-owned aquatic lands, the Department of Natural Resources may consider whether the bidder was the highest bidder on a sale within the past five years, but failed to complete the sale. The department may not consider sales bid prior to January 1, 2002.

Substitute Bill Compared to Original Bill: The Department may not consider sales bid prior to January 1, 2002.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Revenue from geoduck sales promote public access to shorelines, and help fund the Department of Natural Resources aquatics program. Bidders on geoduck sales may offer false high bids to reduce the supply for their own financial benefit. If sales cannot be re-offered, the state stands to lose significant revenue.

Testimony Against: None.

Testified: PRO: Fran McNair, Department of Natural Resources.